



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

April 24, 2019

The Honorable Katie Hobbs
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Dear Secretary Hobbs:

I am transmitting to you the following bills from the Fifty-fourth Legislature, 1st Regular Session, which I signed on April 24th, 2019:

H.B. 2027 online lodging marketplace; local taxation (Kavanagh)
H.B. 2055 juvenile court; jurisdiction (J. Allen)
H.B. 2061 foster tuition waiver scholarship; age (Barto)
H.B. 2236 county recorder; candidate petition (Townsend)
H.B. 2303 computer science; credit; science; mathematics (Udall)
H.B. 2451 real estate licensure; exceptions; rentals (Griffin)
H.B. 2469 fire district consolidation, merger (Cobb)
H.B. 2485 real property disclosure; solar; disposal (Griffin)
H.B. 2598 public debt; refinance; JCCR review (Kern)
S.B. 1211 intermediate care facilities; licensure (Carter)
S.B. 1247 residential care institutions; children (Brophy-McGee)
S.B. 1537 service providers; fingerprint card (Brophy-McGee)

Sincerely,

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

Senate Engrossed House Bill

FILED

KATIE HOBBS

SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

CHAPTER 130
HOUSE BILL 2469

AN ACT

AMENDING SECTIONS 48-805, 48-805.01, 48-820, 48-821, 48-822 AND 48-823,
ARIZONA REVISED STATUTES; RELATING TO FIRE DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 48-805, Arizona Revised Statutes, is amended to
3 read:

4 48-805. Fire district; powers and duties; definition

5 A. A fire district, through its board, shall:

6 1. Hold public meetings at least once each calendar month unless a
7 board consists of three members and the fire district levies less than
8 ~~five hundred thousand dollars~~ \$500,000 annually then the board shall meet
9 in July and at least every two months thereafter. A board for a district
10 organized pursuant to article 3 of this chapter shall hold public meetings
11 at least every two months.

12 2. Determine the compensation payable to district personnel.

13 3. Require ~~probationary~~ ALL CURRENT AND PROSPECTIVE employees ~~in a~~
14 ~~paid sworn firefighter position, a reserve firefighter position or a~~
15 ~~volunteer firefighter position~~ AND VOLUNTEERS to submit a full set of
16 fingerprints to the fire district, ~~or to the~~ joint powers authority, FIRE
17 AUTHORITY, FIRE AND MEDICAL AUTHORITY OR FIRE AND AMBULANCE AUTHORITY that
18 is formed with that fire district pursuant to section 48-805.01. The fire
19 district, ~~or~~ joint powers authority, FIRE AUTHORITY, FIRE AND MEDICAL
20 AUTHORITY OR FIRE AND AMBULANCE AUTHORITY that is formed pursuant to
21 section 48-805.01 shall submit the fingerprints to the department of
22 public safety for the purpose of obtaining a state and federal criminal
23 records check pursuant to section 41-1750 and Public Law 92-544. The
24 department of public safety may exchange this fingerprint data with the
25 federal bureau of investigation.

26 B. A fire district, through its board, may:

27 1. Employ any personnel and provide services deemed necessary for
28 fire protection, for preservation of life and for carrying out its other
29 powers and duties, including providing ambulance transportation services
30 when authorized to do so pursuant to title 36, chapter 21.1, article 2,
31 but a member of a district board shall not be an employee of the district.
32 The merger of two or more fire districts pursuant to section 48-820 or the
33 consolidation with one or more fire districts pursuant to section 48-822
34 shall not expand the boundaries of an existing certificate of necessity
35 unless authorized pursuant to title 36, chapter 21.1, article 2.

36 2. Construct, purchase, lease, lease-purchase or otherwise acquire
37 the following or any interest ~~therein~~ IN THE FOLLOWING and, in connection
38 with the construction or other acquisition, purchase, lease,
39 lease-purchase or grant a lien on any or all of its present or future
40 property, including:

41 (a) Apparatus, water and rescue equipment, including ambulances and
42 equipment related to any of the foregoing.

43 (b) Land, buildings, equipment and furnishings to house equipment
44 and personnel necessary or appropriate to carry out its purposes.

1 3. Finance the acquisition of property as provided in this section
2 and costs incurred in connection with the issuance of bonds as provided in
3 section 48-806. Bonds shall not be issued without the consent of a
4 majority of the electors of the district voting at an election held for
5 that purpose. For the purposes of an election held under this paragraph,
6 all persons who are eligible to vote in fire district elections under
7 section 48-802 are eligible to vote.

8 4. Enforce the fire code adopted by the district, if any, and
9 assist the office of the state fire marshal in the enforcement of fire
10 protection standards of this state within the fire district including
11 enforcement of a nationally recognized fire code if expressly authorized
12 by the office of the state fire marshal.

13 5. After the approval of the qualified electors of the fire
14 district voting at a regular district election or at a special election
15 called for that purpose by the district board, as appropriate, or at any
16 election held in the county that encompasses the fire district, adopt the
17 _____ fire code, which is a nationally recognized fire code approved by
18 the state fire marshal. The words appearing on the ballots shall be
19 "should _____ fire district adopt the _____ fire code, which is
20 a nationally recognized fire code approved by the state fire
21 marshal--yes", "should _____ fire district adopt the _____
22 fire code, which is a nationally recognized fire code approved by the
23 office of the state fire marshal--no". The code shall be enforced by the
24 county attorney in the same manner as any other law or ordinance of the
25 county. Any inspection or enforcement costs are the responsibility of the
26 fire district involved. The district shall keep the code on file, which
27 shall be open to public inspection for a period of thirty days before any
28 election for the purpose of adopting a fire code. Copies of the order of
29 election shall be posted in three public places in the district at least
30 twenty days before the date of the election, and if a newspaper is
31 published in the county having a general circulation in the district, the
32 order shall be published in the newspaper at least once a week during each
33 of the three calendar weeks preceding the calendar week of the election.

34 6. Amend or revise the adopted fire code, including replacement of
35 the adopted fire code with an alternative nationally recognized fire code,
36 with the approval of the office of the state fire marshal and after a
37 hearing held pursuant to posted and published notice as prescribed by
38 section 48-805.02, subsection A. The district shall keep three copies of
39 the adopted code, amendments and revisions on file for public inspection.

40 7. Enter into an agreement procuring the services of an organized
41 private fire protection company or a fire department of a neighboring
42 city, town, district or settlement without impairing the fire district's
43 powers.

1 8. Contract with a city or town for fire protection services for
2 all or part of the city or town area until the city or town elects to
3 provide regular fire department services to the area.

4 9. Retain a certified public accountant to perform an annual audit
5 of district books.

6 10. Retain private legal counsel.

7 11. Accept gifts, contributions, bequests and grants and comply
8 with any requirements of those gifts, contributions, bequests and grants
9 that are not inconsistent with this article.

10 12. Appropriate and expend annually monies as are necessary for the
11 purpose of fire districts belonging to and paying dues in the Arizona fire
12 district association and other professional affiliations or entities.

13 13. Adopt resolutions establishing fee schedules both within and
14 outside of the jurisdictional boundaries of the district for providing
15 fire protection services and services for the preservation of life,
16 including emergency fire and emergency medical services, plan reviews,
17 standby charges, fire cause determination, users' fees or facilities
18 benefit assessments or any other fee schedule that may be required.

19 14. With the approval of two of the three members of a three-member
20 board, four of the five members of a five-member board or five of the
21 seven members of a seven-member board, change the district's name and on
22 so doing shall give written notice to the board of supervisors of the
23 change. The governing board of a fire district may place a question on
24 the general election ballot as to whether the fire district shall change
25 its name.

26 15. Require all employees to submit a full set of fingerprints as
27 prescribed by subsection A, paragraph 3 of this section.

28 16. Enter into intergovernmental agreements or contracts as
29 follows:

30 (a) Enter into an intergovernmental agreement with another
31 political subdivision for technical or administrative services or to
32 provide fire services to the property owned by the political subdivision,
33 including property that is outside the district boundary.

34 (b) Enter into a contract with individuals to provide technical or
35 administrative services.

36 (c) Enter into a contract with individuals to provide fire
37 protection services or emergency medical services, or both, to the extent
38 not regulated by title 36, chapter 21.1 to property owned by the
39 individual located outside the district boundaries if the individual's
40 property is not located in a county island as defined in section 11-251.12
41 and at least one of the following apply:

42 (i) The existing fire service provider where the individual's
43 property is located has issued a notice to the individual that the
44 provider plans to discontinue service.

45 (ii) Fire service is not available to the individual's property.

1 (iii) Fire service is offered pursuant to a contract or
2 subscription and the individual has not obtained service for a period of
3 twenty-four months before the date of the contract with the district.

4 (d) Enter into a contract with individuals to provide fire services
5 to property owned by the individual located outside the district
6 boundaries, where the individual's property is located in a county island
7 as defined in section 11-251.12, if both of the following apply:

8 (i) The existing fire service provider where the individual's
9 property is located has issued a notice to the residents of the county
10 island and the individual that the provider plans to discontinue or
11 substantially reduce service.

12 (ii) The district offers contracts to all residents and property
13 owners of the county island who will be affected by the discontinuance or
14 substantial reduction in service by the current fire service provider.

15 (e) For the purposes of subdivision (a), (b), (c) or (d) of this
16 paragraph, a district may contract with any public or private fire service
17 provider to provide some or all of the contractual services the district
18 is contracting to deliver.

19 (f) Any contract entered into pursuant to subdivisions (b), (c) and
20 (d) of this paragraph shall include a provision setting forth the cost of
21 service and performance criteria.

22 17. Sell or otherwise dispose of any real property, facilities or
23 equipment if the district board determines the real property, facilities
24 or equipment to be surplus.

25 C. A fire district may not administratively add or annex additional
26 property or delete property or otherwise modify its boundaries except in a
27 merger or consolidation pursuant to this chapter or in a boundary change
28 made pursuant to section 48-262. This subsection does not apply to a
29 district organized pursuant to article 3 of this chapter.

30 D. The chairman and clerk of the district board or their respective
31 designees, as applicable, shall draw warrants, substitute checks or
32 electronic funds transfers on the county treasurer for money required to
33 operate the district in accordance with the budget and, as so drawn, the
34 warrants, substitute checks or electronic funds transfers shall be
35 sufficient to authorize the county treasurer to pay from the fire district
36 fund.

37 E. For any fire district that designates one or more board members
38 to have access to the financial books and records of the district, those
39 board members are authorized by law to have full access to those financial
40 books and records.

41 F. The district board may assess and levy a secondary property tax
42 pursuant to this article to pay for the costs of fire protection services
43 or emergency medical services except for services regulated pursuant to
44 title 36, chapter 21.1.

1 G. The county attorney may advise and represent the district if in
2 the county attorney's judgment the advice and representation are
3 appropriate and not in conflict with the county attorney's duties under
4 section 11-532. If the county attorney is unable to advise and represent
5 the district due to a conflict of interest, the district may retain
6 private legal counsel or may request the attorney general to represent it,
7 or both.

8 H. If a district's fire code requires the use of a fire watch, an
9 employee who works at the building in which a fire watch is required may
10 serve as the fire watch. A person who is designated as a fire watch shall
11 be equipped with the means to contact the local fire department, and the
12 person's only duty while keeping watch for fires shall be to perform
13 constant patrols of the protected premises. The district shall provide
14 the fire watch with printed instructions from the office of the state fire
15 marshal and may provide a free training session before the person's
16 deployment as the fire watch begins.

17 I. For the purposes of this section, "fire watch" means a person
18 who is stationed in a building or in a place relative to a building to
19 observe the building and its openings when the fire protection system for
20 the building is temporarily nonoperational or absent.

21 Sec. 2. Section 48-805.01, Arizona Revised Statutes, is amended to
22 read:

23 48-805.01. Separate legal entities; joint exercise of powers

24 A. If public agencies identified in subsection B of this section
25 form a separate legal entity pursuant to section 11-952, the entity has
26 the powers common to the contracting powers specified in the agreement and
27 may jointly exercise powers held in common by the contracting parties in a
28 manner or according to the method provided in the agreement.
29 Notwithstanding title 38, an officer or elected member of the governing
30 body of a party to the agreement may also act in the capacity of a member
31 of the governing body of the separate legal entity. In its own name and
32 subject to the agreement, the separate legal entity, subject to existing
33 applicable law, may:

34 1. Make and enter into contracts, including contracts, leases or
35 other transactions with one or more of the parties to the agreement
36 forming the separate legal entity.

37 2. Employ agents and employees.

38 3. Acquire, hold or dispose of property.

39 4. Acquire, construct, manage, maintain and operate buildings,
40 works, infrastructure, apparatus, equipment and improvements.

41 5. Incur debts, liabilities and obligations.

42 6. Sue and be sued.

43 7. Require all current and prospective employees and volunteers to
44 submit a full set of fingerprints to the joint powers authority, FIRE
45 AUTHORITY, FIRE AND MEDICAL AUTHORITY OR FIRE AND AMBULANCE AUTHORITY.

1 THE JOINT POWERS AUTHORITY, FIRE AUTHORITY, FIRE AND MEDICAL AUTHORITY OR
2 FIRE AND AMBULANCE AUTHORITY SHALL SUBMIT THE FINGERPRINTS TO THE
3 DEPARTMENT OF PUBLIC SAFETY for the purpose of obtaining a state and
4 federal criminal records check pursuant to section 41-1750 and Public Law
5 92-544. The department of public safety may exchange this fingerprint
6 data with the federal bureau of investigation.

7 B. Cities, towns, counties and fire districts established pursuant
8 to this title may form a separate legal entity pursuant to section 11-952,
9 for the purposes of jointly exercising powers held in common by the
10 contracting parties. Common powers of the contracting parties when
11 otherwise authorized pursuant to state law may include fire protection,
12 the preservation of life, providing emergency medical services, and
13 carrying out its other powers and duties, including providing ambulance
14 transportation services when authorized to do so pursuant to title 36,
15 chapter 21.1, article 2. Any separate legal entity formed pursuant to
16 this section shall include a fire district. The intergovernmental
17 agreement must state the intent to form a separate legal entity pursuant
18 to this subsection. The governing body of a separate legal entity formed
19 pursuant to this subsection shall be composed of officials elected to one
20 or more of the governing bodies of the political subdivisions that are
21 parties to the agreement, or their designees. A separate legal entity
22 identified pursuant to this subsection:

23 1. Is a political subdivision of this state having:

24 (a) The governmental and proprietary powers that are common to the
25 contracting parties specified in the agreement and those powers provided
26 for in section 11-952 and this section.

27 (b) The rights and immunities of the parties that are granted by
28 the constitution and statutes of this state, including immunity of its
29 property from taxation.

30 2. May separately contract for an undertaking with any two or more
31 of the parties or other public agencies or other entities. Limitations on
32 the exercise of common powers shall be applicable only to the parties to
33 the agreement participating in the undertaking.

34 3. May establish any governance and board structure necessary to
35 carry out its powers and duties subject to the requirements of section
36 11-952 and this section.

37 4. If specified in the agreement, is the authority that has
38 jurisdiction for the purpose of fire code administration and enforcement
39 for the parties to the agreement.

40 5. Shall be provided a .gov identifier for the website used to
41 carry out its powers and duties by the applicable governmental issuer.

42 6. In addition to other powers provided for in the agreement by a
43 vote of its governing body, may incur obligations payable from the
44 entity's revenues, to pay the costs and expenses of acquiring or
45 constructing any structures, facilities or equipment necessary to

1 effectuate the purposes of the agreement subject to the following
2 conditions and requirements:

3 (a) The parties to the agreement, with the approval of each
4 participating entity's voters, may issue general obligation bonds for the
5 purpose of funding the costs and expenses of acquiring or constructing any
6 structures, facilities or equipment necessary to effectuate the purposes
7 of the agreement. Each of the participating party's general obligation
8 bonding authority is limited to that of each party's enabling legislation.

9 (b) The general obligation bonds are payable from the taxes or
10 assessments paid to, or to be levied or collected by, the entity or the
11 political subdivisions that are parties to the agreement that forms the
12 entity.

13 (c) The general obligation bonds are limited to an amount as
14 authorized by the qualified electors that are parties to the agreement and
15 are subject to the requirements of sections 35-431 and 48-806.

16 C. For the purposes of subsection B of this section, "undertaking":
17

18 1. Means one or more of the following:

19 (a) Purchasing, constructing, leasing or acquiring any real or
20 personal property, works, apparatus, equipment or facilities that the
21 political subdivisions that formed the entity are authorized by law to
22 purchase, construct, lease or otherwise acquire.

23 (b) Improving, reconstructing, extending or adding to any real or
24 personal property, works, apparatus, equipment or facilities owned or
25 operated by the entity.

26 (c) Any program of development involving real or personal property,
27 works, apparatus, equipment or facilities that the entity is authorized by
28 law to purchase, construct, lease or otherwise acquire or the improvement,
29 reconstruction, extension or addition to the program.

30 (d) Providing fire protection, for the preservation of life, for
31 providing emergency medical services and for carrying out its other powers
32 and duties, including providing ambulance transportation services when
33 authorized to do so pursuant to title 36, chapter 21.1, article 2 and
34 purchasing, constructing, leasing or acquiring, or the extension or
35 addition of, works, apparatus, equipment or facilities designed to serve
36 areas or territories already being served by any of the parties to the
37 agreement.

38 2. Does not include the acquisition by eminent domain of existing
39 works or facilities of a political subdivision.

40 D. The exercise of joint powers does not create any expansion of a
41 certificate of necessity issued pursuant to title 36, chapter 21.1,
42 article 2 or the operating rights as defined by the certificate of
43 necessity held by one or more of the entities entering into a joint powers
44 authority. The operating rights remain the same as those rights granted
to the certificate of necessity holder at the date of the establishment of

1 the joint powers authority unless modified pursuant to title 36, chapter
2 21.1, article 2.

3 E. A fire district board that participates in an agreement to form
4 a separate legal entity pursuant to this section:

5 1. Is not subject to the public meeting requirements provided in
6 section 48-805.

7 2. Shall hold a public meeting at least once every ninety days or
8 as necessary to carry out its powers and duties.

9 3. If a cumulative financial report review occurs at least once
10 every ninety days, is considered compliant with section 48-807,
11 subsection P.

12 F. A municipality that participates in an agreement to form a
13 separate legal entity pursuant to this section is not subject to a limit
14 on the duration of the agreement.

15 Sec. 3. Section 48-820, Arizona Revised Statutes, is amended to
16 read:

17 48-820. Election to merge fire districts; notice; hearing;
18 approval; joint meeting; merged district board

19 A. Except as provided in subsection L of this section, the board of
20 supervisors shall make an order calling for an election to decide whether
21 to merge fire districts when a resolution for merger from each district is
22 submitted to the board. The board of supervisors shall not make an order
23 calling for an election to merge the same fire districts more frequently
24 than once every two years. Whether or not the districts are merged, the
25 fire districts are each liable to reimburse the counties for the expenses
26 of the election, including the cost of mailing any notices required
27 pursuant to this section. If the proposed district is located in more
28 than one county, the resolutions shall be submitted to the board of
29 supervisors of the county in which the majority of the assessed valuation
30 of the proposed district is located as of the date of the adoption of the
31 earliest resolution that called for the merger. The words appearing on
32 the ballot shall be "(insert fire districts' names) merge as a fire
33 district--yes" and "(insert fire districts' names) merge as fire
34 district--no."

35 B. Except for a district organized pursuant to article 3 of this
36 chapter, at least six days but not more than twenty days after the
37 election, the board of supervisors shall meet and canvass the returns, and
38 if it is determined that a majority of the votes cast at the election in
39 each of the affected districts is in favor of merging the fire districts,
40 the board shall enter that fact on its minutes.

41 C. For a district organized pursuant to article 3 of this chapter,
42 within fourteen days after the election, the board of supervisors shall
43 meet and canvass the returns, and if it is determined that a majority of
44 the votes cast at the election in each of the affected districts is in

1 favor of merging the fire districts, the board shall enter the fact on its
2 minutes.

3 D. Except as prescribed in subsection E of this section, two or
4 more fire districts may merge if the governing body of each affected fire
5 district, by a majority vote of the members of each governing body, adopts
6 a resolution declaring that a merger be considered and a public hearing be
7 held to determine if a merger would be in the best interests of the
8 district and would promote public health, comfort, convenience, necessity
9 or welfare. After each district adopts such a resolution, the governing
10 body of each district by first class mail shall send notice of the day,
11 hour and place of a hearing on the proposed merger to each owner of
12 taxable property within the boundaries of the district. The notice shall
13 state the purpose of the hearing and shall describe where information on
14 the proposed merger may be obtained and reviewed. THE INFORMATION ON THE
15 PROPOSED MERGER SHALL BE POSTED PROMINENTLY ON EACH AFFECTED FIRE
16 DISTRICT'S WEBSITE. The information provided by the affected districts
17 AND POSTED TO EACH AFFECTED DISTRICT'S WEBSITE shall include the name and
18 a general description of the boundaries of each district proposed to be
19 merged and a ~~detailed, accurate~~ GENERAL map of the area to be included in
20 the merger. The ~~notice~~ INFORMATION POSTED TO THE WEBSITE OF EACH AFFECTED
21 DISTRICT also shall ~~contain~~ INCLUDE an estimate of the assessed value of
22 the merged district as of the date of the adoption of the earliest
23 resolution that called for the merger as prescribed in subsection A of
24 this section, the estimated change in property tax liability for a typical
25 resident of the proposed merged district and a list of the benefits and
26 injuries that may result from the proposed merged district. ~~No~~ New
27 territory may NOT be included as a result of the merger.

28 E. A noncontiguous county island fire district formed pursuant to
29 section 48-851 shall not merge with a fire district formed pursuant to
30 section 48-261.

31 F. The clerk of the governing body of each affected district shall
32 post notice in at least three conspicuous public places in the district
33 and shall also publish notice twice in a newspaper of general circulation
34 in the county in which the district is located, at least ten days before
35 the public hearing. The clerk of each governing body affected by the
36 proposed merger shall also mail notice and a copy of the resolution in
37 support of considering the merger to the chairman of the board of
38 supervisors of the county or counties in which the affected districts are
39 located. The chairman of the board of supervisors shall order a review of
40 the proposed merger and ~~shall~~ MAY submit written comments to the governing
41 body of each fire district located in that county within ten days after
42 receipt of the notice.

43 G. At the hearing prescribed in subsection D of this section, each
44 governing body of the district shall consider the comments of the board of
45 supervisors, hear those persons who appear for or against the proposed

1 merger and determine whether the proposed merger will promote public
2 SAFETY, health, comfort, convenience, necessity or welfare. If, after the
3 public hearing each of the governing bodies of the districts affected by
4 the proposed merger adopt a resolution by a majority vote declaring that
5 the merger will promote public SAFETY, health, comfort, convenience,
6 necessity or welfare, each of the governing bodies of the districts
7 affected by the proposed merger shall submit to the board of supervisors
8 the resolutions that call for an election.

9 H. Before considering any resolution of merger pursuant to this
10 section, the governing body of each affected district shall obtain written
11 consent to the merger from any single taxpayer residing within each of the
12 affected districts who owns thirty percent or more of the net assessed
13 valuation of the total net assessed valuation of the district as of the
14 date the district's resolution is submitted to the board of
15 supervisors. If written consent from the taxpayers prescribed by this
16 subsection is not obtained, subsections A and B of this section apply, and
17 the merger may only be accomplished by an election held by the affected
18 district that was unable to obtain the written consent. The other
19 affected districts may pursue merger by unanimous consent and, if one or
20 more of those districts ~~fails~~ FAIL to obtain unanimous consent, any
21 remaining affected districts that have obtained unanimous consent or
22 received voter approval may proceed with the merger unless the governing
23 body of one of those districts withdraws from the merger. If one of the
24 districts withdraws, the remaining affected districts shall revise the
25 information prescribed by subsection D of this section and post the
26 revised information as prescribed in subsection F of this section. If one
27 OR ANY of the affected districts does not have a single taxpayer residing
28 in the district who owns thirty percent or more of the net assessed
29 valuation of the total net assessed valuation of the district, this
30 subsection does not apply to that district and written consent is not
31 required for that district.

32 I. If the merger is approved as provided by subsection B, ~~OR L OR N~~
33 of this section, ~~within thirty days~~ IMMEDIATELY after the approval, the
34 governing body of the affected district with the largest ~~population~~ NET
35 ASSESSED VALUATION AS OF THE DATE OF THE ADOPTION OF THE EARLIEST
36 RESOLUTION THAT CALLS FOR THE MERGER AS PRESCRIBED IN SUBSECTION A OF THIS
37 SECTION shall call a joint meeting of the governing bodies of all of the
38 affected districts. At the joint meeting, a majority of the members of
39 the governing body of each affected district constitutes a quorum for the
40 purpose of transacting business. The members of the governing body of
41 each affected district shall by majority vote of each separate governing
42 body appoint a total of five persons from those currently serving on the
43 governing bodies of the districts who shall complete their regular terms
44 of office, except that not more than three of the persons appointed may
45 serve terms that end in the same year. Not more than three members shall

1 be appointed from the same fire district board. IF THE MERGER AFFECTS
2 ONLY TWO FIRE DISTRICTS, THE FIRE DISTRICT WITH THE LARGEST NET ASSESSED
3 VALUATION SHALL APPOINT THREE MEMBERS TO THE GOVERNING BODY OF THE NEWLY
4 MERGED DISTRICT AND THE DISTRICT WITH THE LESSER NET ASSESSED VALUATION
5 SHALL APPOINT TWO MEMBERS. Subsequent terms of office for district board
6 members shall be filled by election of board members who shall be
7 qualified electors of the merged district.

8 J. The appointed governing body shall immediately meet and organize
9 itself and elect from its members a chairman and a clerk. The appointed
10 governing body shall immediately have the powers and duties prescribed by
11 law for governance and operation of the newly merged district The
12 appointed board by resolution shall declare the districts merged and each
13 affected district joined and the name of the newly merged fire district.
14 THE APPOINTED GOVERNING BODY MAY TAKE ANY ACTION NECESSARY TO PREVENT
15 INTERRUPTION OF FIRE PROTECTION AND EMERGENCY MEDICAL SERVICES DELIVERY.
16 THE MERGED DISTRICTS MAY BE TEMPORARILY OPERATED SEPARATELY BY THE
17 APPOINTED GOVERNING BODY TO PREVENT SERVICE DELIVERY INTERRUPTION AND FOR
18 THE PURPOSES OF TRANSITION OF PERSONNEL AND TRANSFERRING ASSETS AND
19 LIABILITIES. The resolution and the names of the new board members for
20 the newly organized district shall be sent to the board of supervisors,
21 and the districts are deemed legally merged effective ~~thirty days after~~
22 IMMEDIATELY ON the adoption of the resolution. Any challenge to the
23 merger must be filed within the thirty-day period after adoption of the
24 resolution, and on filing, the merger is stayed until the expiration of
25 ~~any time for appeal after the issuance of a final order denying the~~
26 ~~challenge.~~ If the newly merged district is authorized to operate an
27 ambulance service pursuant to title 36, chapter 21.1, article 2, OR IF THE
28 NEWLY MERGED DISTRICT INCLUDES ONE OR MORE DISTRICTS THAT PARTICIPATED IN
29 A JOINT POWERS AUTHORITY PURSUANT TO SECTION 48-805.01 AND IS AUTHORIZED
30 TO OPERATE AN AMBULANCE SERVICE PURSUANT TO TITLE 36, CHAPTER 21.1,
31 ARTICLE 2, the name of the ambulance service shall be changed
32 administratively by the director of the department of health services to
33 the name of the newly merged district and a hearing on the matter is not
34 required pursuant to section 36-2234.

35 K. The merger of two or more fire districts pursuant to this
36 section or the consolidation with one or more fire districts pursuant to
37 section 48-822 shall not expand the boundaries of an existing certificate
38 of necessity unless authorized pursuant to title 36, chapter 21.1,
39 article 2.

40 L. If the requirements of subsection H of this section are met and
41 the governing body votes required by subsection G of this section are
42 unanimous, the following apply:

43 1. The governing bodies of each district may choose to merge by
44 unanimous resolution without an election and subsections A and B of this
45 section do not apply.

1 2. The governing bodies of each district may choose to hold an
2 election on the question of merger and subsections A and B of this section
3 apply.

4 M. If the merger is approved pursuant to subsection B, ~~OR L OR N~~ of
5 this section, ~~the governing body of the newly merged district may adopt a~~
6 ~~nationally recognized fire code with the approval of the office of the~~
7 ~~state fire marshal and after a hearing held pursuant to posted and~~
8 ~~published notice as prescribed by section 48-805.02, subsection A~~ THE MOST
9 RECENT EDITION OF THE FIRE CODE ADOPTED BY THE AFFECTED DISTRICTS SHALL BE
10 THE FIRE CODE OF THE NEWLY MERGED DISTRICT. The district shall keep a
11 copy of the adopted fire code on file for public inspection.

12 N. AFTER THE HEARING PRESCRIBED BY SUBSECTION D OF THIS SECTION AND
13 ON COMPLIANCE WITH SUBSECTION H OF THIS SECTION, THE GOVERNING BODIES OF
14 THE AFFECTED DISTRICTS MAY APPROVE THE MERGER BY A MAJORITY VOTE OF EACH
15 AFFECTED DISTRICT'S GOVERNING BODY AND SUBSECTIONS A AND B OF THIS SECTION
16 DO NOT APPLY IF EITHER OF THE FOLLOWING CONDITIONS IS MET:

17 1. AN AFFECTED DISTRICT HAS OBTAINED A STUDY OF MERGER,
18 CONSOLIDATION OR JOINT OPERATING ALTERNATIVES AS REQUIRED BY SECTION
19 48-805.02, SUBSECTION D, PARAGRAPH 3.

20 2. AN AFFECTED DISTRICT'S TAX RATE IS AT OR ABOVE THE MAXIMUM
21 ALLOWABLE TAX RATE PRESCRIBED IN SECTION 48-807.

22 Sec. 4. Section 48-821, Arizona Revised Statutes, is amended to
23 read:

24 48-821. Disposition of assets on merger of fire districts

25 A. If fire districts established under this article are merged, all
26 the equipment, assets and liabilities of the affected districts shall be
27 transferred to the fire district created by the merger.

28 B. All assets and liabilities ~~of whatever description~~ and all books
29 and records belonging to the fire fighters' relief and pension fund of
30 merged fire districts shall be transferred to and become the property of
31 the fire fighters' relief and pension fund of the fire district created by
32 the merger.

33 C. On merger of fire districts pursuant to section 48-820, the fire
34 districts that were merged are dissolved by operation of law and no longer
35 exist and the newly organized and merged fire district is a separate and
36 new legal entity by operation of law. FOR PURPOSES OF TRANSITION, THE
37 DISTRICTS AFFECTED BY THE MERGER MAY CONTINUE TO OPERATE TEMPORARILY UNDER
38 THE AUTHORITY OF THE APPOINTED GOVERNING BODY OF THE NEW MERGED DISTRICT.

39 Sec. 5. Section 48-822, Arizona Revised Statutes, is amended to
40 read:

41 48-822. Election to consolidate fire districts; resolution;
42 hearing

43 A. Except as provided in subsection F of this section, the board of
44 supervisors shall make an order calling for an election to decide whether
45 to consolidate two or more fire districts when a resolution for

1 consolidation of fire districts from each district is submitted to the
2 board of supervisors. The board of supervisors shall not make an order
3 calling for an election to consolidate the same fire districts more
4 frequently than once every two years. Whether or not the districts are
5 consolidated, the participating fire districts are each liable to
6 reimburse the counties for the expenses of the election, including the
7 cost of mailing any notices. If the proposed district is located in more
8 than one county, the resolutions shall be submitted to the board of
9 supervisors of the county in which the majority of the assessed valuation
10 of the proposed district is located as of the date of the adoption of the
11 earliest resolution that called for the consolidation. The words
12 appearing on the ballot shall be "(insert fire districts' names)
13 consolidate as a fire district--yes" and "(insert fire districts' names)
14 consolidate as fire district--no."

15 B. Within fourteen days after the election, the board of
16 supervisors shall meet and canvass the returns, and if it is determined
17 that a majority of the votes cast at the election in each of the affected
18 districts is in favor of consolidating the fire districts, the board shall
19 enter that fact on its minutes.

20 C. Except as proscribed by subsection D of this section, a fire
21 district may consolidate with one or more other fire districts formed
22 pursuant to section 48-261 as follows:

23 1. A resolution requesting the consolidation of a fire district is
24 passed by a majority vote of the governing body requesting consolidation
25 into another fire district. The requesting district shall send by first
26 class mail the notice of request to consolidate districts to the fire
27 district in which the consolidation is requested.

28 2. On receipt of the resolution requesting consolidation, and on
29 approval by majority vote of the governing body receiving the request, two
30 or more fire districts may consolidate if the governing body of each
31 affected fire district by a majority vote of the members of each governing
32 body adopts a resolution declaring that a consolidation be considered and
33 a public hearing be held to determine if a consolidation would be in the
34 best interest of the districts and would promote the public SAFETY,
35 health, comfort, convenience, necessity or welfare. The governing body of
36 each district that adopts a resolution calling for a public hearing by
37 first class mail shall send notice of the day, hour and place of a hearing
38 on the proposed consolidation to each owner of taxable property within the
39 boundaries of the district. The notice shall state the purpose of the
40 hearing and shall describe where information on the proposed consolidation
41 may be obtained and reviewed. THE INFORMATION ON THE PROPOSED
42 CONSOLIDATION SHALL BE POSTED PROMINENTLY ON EACH AFFECTED DISTRICT'S
43 WEBSITE. The information provided by the affected districts AND POSTED TO
44 EACH AFFECTED DISTRICT'S WEBSITE shall include the name and a general
45 description of the boundaries of each district that is proposed to be

1 consolidated and a ~~detailed, accurate~~ GENERAL map of the area to be
2 included in the consolidation. The ~~notice~~ INFORMATION POSTED TO THE
3 WEBSITE OF EACH AFFECTED DISTRICT also shall ~~contain~~ INCLUDE an estimate
4 of the assessed value of the consolidated district, the estimated change
5 in the property tax liability for a typical resident of the proposed
6 consolidated district and a list of the benefits and injuries that may
7 result from the proposed consolidated district. ~~No~~ New territory may NOT
8 be included as a result of the consolidation.

9 3. The clerk of the governing body of each of the fire districts
10 affected by the proposed consolidation shall post notice in at least three
11 conspicuous public places in the district and also shall publish or
12 request to be published notice twice in a newspaper of general circulation
13 in the county in which the district is located at least ten days before
14 the public hearing. Publication by one affected district is sufficient
15 for all affected districts if publication by more than one district would
16 be duplicative. The clerk of each governing body affected by the proposed
17 consolidation shall also mail notice and a copy of the resolution in
18 support of considering consolidation to the chairman of the board of
19 supervisors of the county or counties in which the affected districts are
20 located. The chairman of the board of supervisors shall order a review of
21 the proposed consolidation and ~~shall~~ MAY submit written comments to the
22 governing body of each fire district located in the county within ten days
23 after receipt of the notice.

24 4. At the hearing held as prescribed by paragraph 2 of this
25 subsection, the governing body of the district shall consider the comments
26 of the board of supervisors, hear those persons who appear for or against
27 the proposed consolidation and determine whether the proposed
28 consolidation will promote the public SAFETY, health, comfort,
29 convenience, necessity or welfare. If, after the public hearing, each of
30 the governing bodies of the districts affected by the proposed
31 consolidation adopt a resolution by a majority vote that the consolidation
32 will promote the public SAFETY, health, comfort, convenience, necessity or
33 welfare, each of the governing bodies of the districts affected by the
34 proposed consolidation shall submit the resolutions calling for an
35 election to the board of supervisors.

36 5. If the proposal for consolidation is approved as provided in
37 subsections A and B of this section, the governing body of the district
38 into which consolidation was requested shall by resolution declare the
39 ~~district~~ DISTRICTS consolidated and each affected district joined. Those
40 persons currently serving as the governing body of the district into which
41 consolidation was requested shall serve as the governing body of the ~~newly~~
42 consolidated district and complete their regular terms of office. The
43 ~~newly~~ consolidated district governing body shall consist of at least five
44 members who shall immediately have the powers and duties prescribed by law
45 for governance and operation of the ~~newly consolidated~~ REQUESTING

1 district. THE DISTRICT REQUESTING CONSOLIDATION MAY BE TEMPORARILY
2 OPERATED BY THE CONSOLIDATED DISTRICT GOVERNING BOARD TO PREVENT SERVICE
3 DELIVERY INTERRUPTION AND FOR THE PURPOSES OF TRANSITIONING PERSONNEL AND
4 TRANSFERRING ASSETS AND LIABILITIES. THE CONSOLIDATED DISTRICT BY
5 OPERATION OF LAW IS THE CONTINUATION OF THE EXISTING DISTRICT INTO WHICH
6 CONSOLIDATION WAS REQUESTED.

7 ~~6. If the consolidation results in a new district population that~~
8 ~~is greater than fifty thousand persons, the new governing board may~~
9 ~~appoint an additional two members to serve until the next general election~~
10 ~~at which time the newly elected member with the highest number of votes~~
11 ~~serves a four year term and the other member serves a two year term.~~
12 ~~Thereafter, the term of office for these two new members is four years.~~

13 ~~7. 6. The governing body of the newly consolidated district by~~
14 ~~resolution shall declare the name of the newly consolidated fire district.~~
15 ~~If the newly consolidated fire district is authorized to operate an~~
16 ~~ambulance service pursuant to title 36, chapter 21.1, article 2, the name~~
17 ~~of the ambulance service shall be changed administratively by the director~~
18 ~~of the department of health services to the name of the newly consolidated~~
19 ~~district and a hearing on the matter is not required pursuant to section~~
20 ~~36-2234.~~

21 ~~8. 7. If a proposed newly consolidated district would include~~
22 ~~property located in an incorporated city or town, in addition to the other~~
23 ~~requirements of this section, the governing body of the district shall~~
24 ~~approve the creation of the consolidated district only if the governing~~
25 ~~body of the city or town endorses the creation by ordinance or resolution~~
26 ~~PROVIDE NOTICE TO THE CITY OR TOWN OF THE PROPOSED CONSOLIDATION AND SHALL~~
27 ~~CONSIDER COMMENTS OF THE CITY OR TOWN COUNCIL CONCERNING THE PROPOSED~~
28 ~~CONSOLIDATION AT THE PUBLIC HEARING HELD AS PRESCRIBED BY PARAGRAPH 2 OF~~
29 ~~THIS SUBSECTION.~~

30 ~~9. 8. Before considering any resolution of consolidation pursuant~~
31 ~~to this section, the governing body of each affected district shall obtain~~
32 ~~written consent to the consolidation from any single taxpayer residing~~
33 ~~within each of the affected districts who owns thirty percent or more of~~
34 ~~the net assessed valuation of the total net assessed valuation of the~~
35 ~~district as of the date of the adoption of the earliest resolution that~~
36 ~~called for the consolidation as prescribed in subsection A of this~~
37 ~~section. If one of the affected districts does not have a single taxpayer~~
38 ~~residing in the district who owns thirty percent or more of the net~~
39 ~~assessed valuation of the total net assessed valuation of the district,~~
40 ~~this paragraph does not apply to that district and written consent is not~~
41 ~~required for that district.~~

42 D. A noncontiguous county island fire district formed pursuant to
43 section 48-851 shall not consolidate with a fire district formed pursuant
44 to section 48-261.

1 E. The merger of two or more fire districts pursuant to section
2 48-820 or the consolidation with one or more fire districts pursuant to
3 this section shall not expand the boundaries of an existing certificate of
4 necessity unless authorized pursuant to title 36, chapter 21.1, article 2.

5 F. If the requirements of subsection C, paragraph ~~9~~ 8 of this
6 section are met and the governing body votes required by subsection C,
7 paragraph 4 of this section are unanimous, the following apply:

8 1. The governing bodies of each or either affected district may
9 choose to consolidate by unanimous resolution without an election and
10 subsections A and B of this section do not apply.

11 2. The governing bodies of each or either affected district may
12 choose to hold an election on the question of consolidation and
13 subsections A and B of this section apply.

14 3. If fewer than all of the affected districts choose to hold an
15 election, the proposed consolidation is not effective until approved at
16 the election.

17 4. Consolidation may not occur unless each affected district
18 approves the consolidation, either by resolution or by election.

19 G. If the consolidation is approved pursuant to subsection B or F
20 of this section, the adopted fire code of the district into which the
21 consolidation was requested shall apply to the entirety of the newly
22 consolidated district.

23 H. AFTER THE HEARING PRESCRIBED BY SUBSECTION C, PARAGRAPH 2 OF
24 THIS SECTION AND ON COMPLIANCE WITH SUBSECTION C, PARAGRAPH 5 OF THIS
25 SECTION, THE GOVERNING BODIES OF THE AFFECTED DISTRICTS MAY CONSOLIDATE BY
26 A MAJORITY VOTE OF EACH AFFECTED DISTRICT'S GOVERNING BODY AND SUBSECTIONS
27 A AND B OF THIS SECTION DO NOT APPLY IF EITHER OF THE FOLLOWING CONDITIONS
28 IS MET:

29 1. AN AFFECTED DISTRICT HAS OBTAINED A STUDY OF MERGER,
30 CONSOLIDATION OR JOINT OPERATING ALTERNATIVES AS REQUIRED BY SECTION
31 48-805.02, SUBSECTION D, PARAGRAPH 3.

32 2. AN AFFECTED DISTRICT'S TAX RATE IS AT OR ABOVE THE MAXIMUM
33 ALLOWABLE TAX RATE PRESCRIBED IN SECTION 48-807.

34 Sec. 6. Section 48-823, Arizona Revised Statutes, is amended to
35 read:

36 48-823. Disposition of assets on consolidation of fire
37 districts

38 A. If fire districts established under this article are
39 consolidated, all the equipment, assets and liabilities of the affected
40 districts THAT HAVE REQUESTED CONSOLIDATION shall be transferred to AND
41 BECOME THE PROPERTY OF the CONSOLIDATED fire district ~~created by the~~
42 ~~consolidation.~~

43 B. All assets and liabilities ~~of whatever description~~ and all books
44 and records belonging to the fire fighters' relief and pension fund of
45 ~~consolidated~~ THE fire districts THAT REQUESTED CONSOLIDATION shall be

1 transferred to and become the property of the ~~fire fighters' relief and~~
2 ~~pension fund of the fire district created by the consolidation~~
3 CONSOLIDATED DISTRICT.

4 C. On consolidation of fire districts pursuant to section 48-822,
5 the fire districts that ~~were consolidated into another fire district~~
6 REQUESTED CONSOLIDATION are dissolved by operation of law and no longer
7 exist ~~and the newly organized and consolidated fire district is a separate~~
8 ~~and new legal entity by operation of law.~~ THE DISTRICT THAT REQUESTED
9 CONSOLIDATION MAY CONTINUE TO OPERATE TEMPORARILY UNDER THE AUTHORITY OF
10 THE CONSOLIDATED DISTRICT FOR PURPOSES OF TRANSITION.

APPROVED BY THE GOVERNOR APRIL 24, 2019.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 24, 2019.

Passed the House March 4, 20 19

by the following vote: 55 Ayes,

0 Nays, 5 Not Voting

W R Barr
Speaker of the House

☒ Pro Tempore

Jim Drake
Chief Clerk of the House

Passed the Senate April 9, 20 19

by the following vote: 28 Ayes,

0 Nays, 2 Not Voting

Karen Farn
President of the Senate

Susan Owens
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

_____ day of _____, 20 _____

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

at _____ o'clock _____ M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this _____ day of _____, 20 _____

at _____ o'clock _____ M.

Secretary of State

ON RECONSIDERATION
H.B. 2469

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

April 18, 20 19,

by the following vote: 60 Ayes,

0 Nays, 0 Not Voting

[Signature]
Speaker of the House

[Signature]
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

18th day of April, 20 19,

at 2:15 o'clock P M.

[Signature]
Secretary to the Governor

Approved this 24th day of

April, 20 19,

at 4:29 o'clock P M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 24 day of April, 20 19,

H.B. 2469

at 4:57 o'clock P M.

[Signature]
Secretary of State